

CALTHORPE PROPERTY COMPANY LIMITED

REPORT AND ACCOUNTS

YEAR ENDED 5 APRIL 2009

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CALTHORPE PROPERTY COMPANY LIMITED

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Year ended 5 April 2009

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CALTHORPE PROPERTY COMPANY LIMITED

G E N E R A L I N F O R M A T I O N

Year ended 5 April 2009

Directors

Sir Euan A-G-Calthorpe, Bt.
Sir Charles Nicholson, Bt.
Sir Michael Bunbury, Bt. KCVO
W H G Wilks Esq
J R Allen
D E Povall

Secretary

M S W Lee

Registered office

76 Hagley Road
Edgbaston
Birmingham
B16 8LU

Company number

2623547

Bankers

Lloyds TSB Bank Plc
3rd Floor
125 Colmore Row
Birmingham
B3 2DS

Auditors

Dixon Wilson
22 Chancery Lane
London
WC2A 1LS

Parent undertaking

Calthorpe Group Limited

CALTHORPE PROPERTY COMPANY LIMITED

REPORT OF THE DIRECTORS

Year ended 5 April 2009

The directors submit their report and accounts for the year ended 5 April 2009.

Change of ownership

On 4 September 2009, the entire issued share capital was acquired by Calthorpe Group Limited, which has secured funding for the company utilising a 3 year loan facility with Lloyds TSB plc.

Principal activity

The principal activity of the company in the year under review was property investment.

Directors

The directors who held office during the year under review were as shown on page 2. In addition, G J Pick served as director until his resignation on 10 April 2009.

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

Each director confirms so far as they are aware that there is no relevant audit information which has not been made available to the company's auditors and that they have each taken all the steps they ought reasonably to have done as the company's directors to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Special provisions

This report is prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

By order of the board



M S W LEE

Secretary

Birmingham

9. September 2009

CALTHORPE PROPERTY COMPANY LIMITED

AUDITOR'S REPORT

Year ended 5 April 2009

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CALTHORPE PROPERTY COMPANY LIMITED

We have audited the financial statements of Calthorpe Property Company Limited for the year ended 5 April 2009 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses, the Note of Historical Cost Profits and Losses, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of company's affairs as at 5 April 2009 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

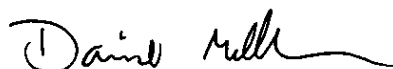
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.



David Mellor (Senior Statutory Auditor)
For and on behalf of Dixon Wilson, Statutory Auditor
22 Chancery Lane, London WC2A 1LS

4 September 2009

CALTHORPE PROPERTY COMPANY LIMITED**PROFIT AND LOSS ACCOUNT****Year ended 5 April 2009**

	Note	2009 £	2008 £
Turnover	1	199,000	223,356
Administrative expenses		(178,544)	(275,112)
Operating profit/(loss)	2	20,456	(51,756)
Profit on disposal of investment properties		118,600	-
Interest receivable		388	756
Interest payable and similar charges		(52,003)	(78,934)
Profit/(loss) on ordinary activities before taxation		87,441	(129,934)
Taxation	3	48,501	39,208
Profit/(loss) on ordinary activities after taxation	10	135,942	(90,726)

CALTHORPE PROPERTY COMPANY LIMITED**STATEMENT OF TOTAL RECOGNISED
GAINS AND LOSSES****Year ended 5 April 2009**

	Note	2009 £	2008 £
Profit/(loss) for the year after taxation		135,942	(90,726)
Unrealised (deficit)/surplus on revaluation of property	4,10	<u>(1,146,542)</u>	<u>1,894,120</u>
Total recognised (losses)/gains relating to year		<u>(1,010,600)</u>	<u>1,803,394</u>

CALTHORPE PROPERTY COMPANY LIMITED**NOTE OF HISTORICAL COST PROFITS AND LOSSES****Year ended 5 April 2009**

	Note	2009 £	2008 £
Profit/(loss) for the year after taxation		135,942	(90,726)
Realised deficit on the disposal of investment properties	10	(252,943)	-
Realised historical cost losses for the year after taxation	10	(117,001)	(90,726)
Retained historical cost profit brought forward		829,664	920,390
Retained historical cost profit carried forward		<u>712,663</u>	<u>829,664</u>

CALTHORPE PROPERTY COMPANY LIMITED

BALANCE SHEET


At 5 April 2009

	Note	2009 £	2008 £
Fixed assets			
Tangible assets – investment properties	4	6,403,700	8,968,100
Current assets			
Debtors : due after one year	5	61,157	12,656
Debtors : due within one year	6	55,913	85,442
		117,070	98,098
Cash at bank and in hand		22,385	20,088
		139,455	118,186
Creditors: amounts falling due within one year	7	(514,324)	(1,088,791)
Net current liabilities		(374,869)	(970,605)
Total assets less current liabilities		6,028,831	7,997,495
Creditors: amounts falling due after more than one year	8	-	(958,064)
Net assets		6,028,831	7,039,431
Capital and reserves			
Called up share capital	9	900,000	900,000
Revaluation reserve	10	4,416,168	5,309,767
Profit and loss account	10	712,663	829,664
Shareholder's funds		6,028,831	7,039,431

Special provisions

The financial statements on pages 5 to 15 have been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006 and were approved by the board of directors on 9 September 2009 and signed on its behalf by:-


J R ALLEN
Director


D E POVALL
Director

CALTHORPE PROPERTY COMPANY LIMITED
CASH FLOW STATEMENT
Year ended 5 April 2009

	Note	2009	2008
		£	£
Net cash outflow from operating activities	11	(123,132)	(21,580)
Returns on investments and servicing of finance			
Interest paid		(52,003)	(81,573)
Interest received		388	756
Net cash outflow from returns on investments and servicing of finance		(51,615)	(80,817)
Taxation			
Group relief surrender payments		-	(36,537)
		-	(36,537)
Capital expenditure			
Payments to acquire fixed assets		(302,143)	(247,227)
Proceeds from sale of fixed assets		1,838,600	-
Net cash inflow/(outflow) from capital expenditure		1,536,457	(247,227)
Financing			
Repayment of loans		(1,078,464)	(107,963)
Net cash outflow from financing		(1,078,464)	(107,963)
Increase/(decrease) in cash	12	283,246	(494,124)

CALTHORPE PROPERTY COMPANY LIMITED

ACCOUNTING POLICIES

Year ended 5 April 2009

Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of investment property and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Investment properties

These are carried at open market value. In accordance with Financial Reporting Standard for Smaller Entities (effective April 2008) these are revalued annually and the aggregate surplus is transferred to the revaluation reserve. No depreciation or amortisation is provided. This is a departure from the requirements of the Companies Act 2006 which requires all properties to be depreciated. The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Turnover

Rents are brought into account on an accruals basis. The rental income is matched to the days of the period.

Property disposals

Disposals of investment properties are recognised on the exchange of unconditional contracts or on the satisfaction of the relevant conditions when conditional contracts have been exchanged.

Group relief

Charges for amounts payable in respect of tax losses surrendered to the company or otherwise utilised by other group companies are recognised in the year to which they relate.

Amortisation of loan issue costs

Issue costs in respect of capital instruments are amortised over the period of the debt at a constant rate on the outstanding balance of the relevant capital instruments.

Deferred taxation

Provision is made for deferred tax liabilities in respect of all timing differences arising from the different treatment of items for accounting and taxation purposes without discounting.

Deferred tax assets in respect of such timing differences are recognised to the extent that they are regarded as being more likely than not, recoverable in the short to medium term, and are not discounted.

CALTHORPE PROPERTY COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****Year ended 5 April 2009**

1. Turnover	2009	2008
	£	£
Rental income (all arising in the UK)	<u>199,000</u>	<u>223,356</u>

All income is stated net of VAT.

2. Operating profit/(loss)

This is stated after charging:

Auditor's remuneration	<u>4,200</u>	<u>4,100</u>
Directors' emoluments:		
For services as director	<u>-</u>	<u>1,020</u>

3. Taxation

Deferred tax charge (note 5)	<u>48,501</u>	<u>39,208</u>
Tax charge	<u>48,501</u>	<u>39,208</u>

4. Tangible fixed assets - investment properties **£****Freehold and long leasehold properties****Valuation**

At 6 April 2008	8,968,100
Additions	302,142
Disposals	(1,720,000)
Revaluation (note 10)	(1,146,542)
At 5 April 2009	<u>6,403,700</u>

Historical cost

At 6 April 2008	3,658,333
Additions	302,142
Disposals	(1,972,943)
At 5 April 2009	<u>1,987,532</u>

CALTHORPE PROPERTY COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****Year ended 5 April 2009****4. Tangible fixed assets - investment properties (continued)**

The properties have been valued independently by DTZ and Bruton Knowles at open market value at the balance sheet date.

Corporation tax of approximately £803,732 (2008 - £1,225,560) would become payable if the properties were sold at the value at which they are stated in the balance sheet.

5. Deferred taxation

	Accelerated capital allowances £	Tax losses £	Total £
At 6 April 2008	28,626	(41,282)	(12,656)
Credit for year	(28,626)	(19,875)	(48,501)
At 5 April 2009	-	(61,157)	(61,157)

Deferred tax has been provided in respect of rental income tax losses and non-trade loan relationship deficits carried forward.

6. Debtors due within one year

	2009 £	2008 £
Other debtors	53,054	78,807
Prepayments and accrued income	2,859	6,635
	<u>55,913</u>	<u>85,442</u>

7. Creditors: amounts falling due within one year

Bank loan	-	113,093
Bank overdraft	385,711	666,660
Other creditors	83,947	157,791
Accruals and deferred income	44,666	151,247
	<u>514,324</u>	<u>1,088,791</u>

8. Creditors: amounts falling due after more than one year

Bank loan	-	958,064
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CALTHORPE PROPERTY COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****Year ended 5 April 2009**

9. Share capital	2009	2008
	£	£
Authorised 1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted and fully paid 900,000 ordinary shares of £1 each	<u>900,000</u>	<u>900,000</u>

10. Reserves

	Profit and Loss Reserve	Revaluation Reserve
	£	£
At 6 April 2008	829,664	5,309,767
Profit for the year after taxation (page 5)	135,942	-
Revaluation of properties during the year (note 4)	-	(1,146,542)
Realised deficit on disposal of investment property	<u>(252,943)</u>	<u>252,943</u>
At 5 April 2009	<u>712,663</u>	<u>4,416,168</u>

11. Reconciliation of operating profit/(loss) to net cash inflow from operating activities

	2009	2008
	£	£
Operating profit/(loss)	20,456	(51,756)
Decrease/(increase) in debtors	29,530	(77,784)
(Decrease)/increase in creditors	<u>(173,118)</u>	<u>107,960</u>
Net cash outflow from operating activities	<u>(123,132)</u>	<u>(21,580)</u>

12. Reconciliation of net cash flow to movement in net debt

Increase/(decrease) in cash	283,246	(494,124)
Cash inflow from repayment of debt	<u>1,078,464</u>	<u>107,963</u>
Change in net debt resulting from cash flows	1,361,710	(386,161)
Amortised loan issue costs	(7,307)	(1,002)
Net debt at 6 April 2008	<u>(1,717,729)</u>	<u>(1,330,566)</u>
Net debt at 5 April 2009	<u>(363,326)</u>	<u>(1,717,729)</u>

CALTHORPE PROPERTY COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS****Year ended 5 April 2009**

13. Analysis of changes in net debt	At 6 April 2008 £	Cash flows £	Non-cash changes £	At 5 April 2009 £
Cash at bank and in hand	20,088	2,297	-	22,385
Bank overdraft	(666,660)	280,949	-	(385,711)
	<u>(646,572)</u>	<u>283,246</u>	<u>-</u>	<u>(363,326)</u>
Debt due within one year	(113,093)	113,093	-	-
Debt due after one year	(958,064)	965,371	7,307	-
Net debt	<u>(1,717,729)</u>	<u>1,361,710</u>	<u>7,307</u>	<u>(363,326)</u>

14. Related party transactions

Three of the directors are Trustees of Niall Calthorpe's Discretionary Settlement of 4 February 1959 and four of the directors are Trustees of the 1994 Continuation Fund.

During the year the company was charged £93,183 (2008 - £126,618) for management services and £7,576 (2008 - £15,746) for marketing services provided by Niall Calthorpe's Discretionary Settlement of 4 February 1959. The following amounts are included in other creditors:

	2009 £	2008 £
Niall Calthorpe's Discretionary Settlement of 4 February 1959	31,848	15,286
The 1994 Continuation Fund	<u>44,861</u>	<u>-</u>

All transactions are at market value and on an arm's length basis.

15. Financial commitments

The company had a guarantee and set off arrangement with other members of the Calthorpe Holdings Limited Group. At the year end, this facility provided a maximum bank overdraft facility to the group of £7,500,000, and a maximum facility to all companies of £20,000,000. Any cash balance held with the bank provided security for this arrangement. At the year end amounts provided as security by this company were £nil (2008 - £nil).

16. Post balance sheet events

Since the year end, the company has acquired further investment properties at a cost in excess of £2.5 million. The funding for this has been provided by the controlling parties (see note 17), and Calthorpe Group Limited has agreed to make financing available for the foreseeable future.

CALTHORPE PROPERTY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2009

17. Parent companies and controlling parties

Calthorpe Holdings Limited was the parent company throughout the year ended 5 April 2009. This company produces group accounts which may be obtained from Companies House. This company is in turn controlled by Sir Michael Bunbury, Bt. KCVO, Sir Charles Nicholson, Bt., W H G Wilks Esq and Sir Euan A-G-Calthorpe, Bt. as the Trustees of the 1994 Continuation Fund.

On 4 September 2009, the company was acquired by Calthorpe Group Limited. This company is in turn controlled by Sir Michael Bunbury, Bt. KCVO, Sir Charles Nicholson, Bt. and W H G Wilks Esq as the Trustees of Niall Calthorpe's Discretionary Settlement of 4 February 1959.
